

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF STATE LANDS AND FORESTRY

Michael O. Leavitt
Governor
Ted Stewart
Executive Director
Scott Hirschi
Division Director

3 Triad Center, Suite 400 355 West North Temple Salt Lake City, Utah 84180-1204 801-538-5508 801-355-0922 (Fax)

May 17, 1994

CERTIFIED MAIL NO. P 051 448 243

Russell C. Feller Feller Holding Co. 1051 North 1100 West St. George, UT 84770

Dear Mr. Feller:

RE: ML 43753 Building Stone/Limestone

S/023/? Juab County

The terms and conditions of the above-numbered lease and the rules of the division require that upon submitting a notice of intent to commence mining the Lessee shall, upon Lessor's request, post a bond with the division. A bond is required primarily to ensure the reclamation of mined land disturbances but shall also be conditioned upon the payment of rentals and royalties which may become due the state.

Division records indicate that you submitted a notice of intent to commence mining activity upon these lands in 1991. You are requested to immediately submit a surety bond in the amount of \$5,000 using the enclosed surety bond form. The Surety must be registered in Utah. In-lieu of a surety bond you may submit a \$5,000 short term renewable certificate of deposit with a Utah banking institution, providing the division is listed as a co-owner of the CD.

Failure to comply with this request within the next 30 days may subject the lease to cancellation pursuant to Article XIX of the lease agreement.

Thank you for your cooperation. Please call me if you have any questions.

Sincerely,

JOHN T. BLAKE

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MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Wayne Hedberg

